

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,
Debtors.¹

PROMESA
Title III

No. 17 BK 3283-LTS

**Re: ECF Nos. 7449, 7468, 7712,
7929, 8251, 8306, 8370, 8476, 8514,
8586, 8711, 8781, 8851, 9017, 9201**

(Jointly Administered)

URGENT MOTION FOR EXTENSION OF DEADLINES

To the Honorable United States District Judge Laura Taylor Swain:

The Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), on behalf the Commonwealth of Puerto Rico (the “Debtor”), pursuant to the authority granted to it under the *Enabling Act of the Fiscal Agency and Financial Advisory Authority*, Act 2-2017, respectfully submits this urgent motion for entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”), extending the deadlines set forth in the *Order* [ECF No. 9201] (the “Amended Scheduling Order”).²

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283- LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17- BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5233-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² The Financial Oversight and Management Board for Puerto Rico, as the Debtor’s representative pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”), has authorized AAFAF to file this Urgent Motion on behalf of the Commonwealth.

Request for Relief

1. On June 14, 2019, NextGen HealthCare, Inc. and Quality Systems, Inc. (“Movant”), filed a *Motion for Payment of Administrative Expense Claim of Post-Petition Executory Contract Payments* [ECF No. 7449] (the “Motion”), requesting that the Court enter an order directing the Commonwealth to pay the amount of \$179,510.00. Movant submits that the amounts allegedly owed by the Commonwealth are for post-petition services provided by Movant and thus, entitled to administrative expense priority. See, Motion at p. 7.

2. The Commonwealth, with Movant’s consent, has requested several extensions of the deadline to respond to allow the parties to pursue a consensual resolution of the Motion. Most recently, on November 14, 2019, the Commonwealth sought an extension of the deadlines in connection with the Motion after having obtained Movant’s counsel consent as the Commonwealth and Movant remain engaged in good faith settlement negotiations for the consensual resolution of the Motion. See, Docket Entry 9174, ¶ 3.

3. On November 15, 2019, the Court entered the Amended Scheduling Order which provides that the deadline to inform the Court of the status of the settlement negotiations, or to otherwise respond to the Motion, is November 28, 2019, and the deadline for Movant’s reply to an opposition, if any, is December 5, 2019.

4. The Commonwealth hereby certifies that, prior to the filing of this request, it has conducted every reasonable effort in its control to contact Movant’s counsel to obtain consent for an additional extension in connection with the Motion, so that parties could continue to engage in good faith settlement negotiations after the Thanksgiving holidays. However, counsel for AAFAF has not heard back, possibly because of the Thanksgiving holidays. Counsel to AAFAF will continue to reach out to Movant’s counsel to obtain consent for the extension.

5. Moreover, also due to the holiday season, the Government instrumentalities' operations will be closed on Thursday, November 28, 2019 and Friday, November 29, 2019, further highlighting the need for an extension.

6. Accordingly, the Debtor proposes the following extensions of the deadlines set forth in the Amended Scheduling Order:

- The deadline to inform the Court of the status of the settlement negotiations, or to otherwise plead and/or file responses to the Motion, shall be extended to **December 4, 2019.**
- The deadline for Movant to file a reply to any oppositions shall be extended to **December 11, 2019.**

7. In the alternative, and in the event that the Court does not grant the extension of time requested herein, the Debtor requests that it be granted forty-eight (48) hours to file its response to the Motion from the date of an order denying this Motion.

8. Pursuant to Paragraph I.H of the *Tenth Amended Notice, Case Management and Administrative Procedures* [ECF No. 8027-1] (the "Case Management Procedures"), the Debtor hereby certifies that it has carefully examined the matter and concluded that there is a true need for an urgent motion; it has not created the urgency through any lack of due diligence; has made a bona fide effort to resolve the matter without a hearing; has made reasonable, good-faith communications in an effort to resolve or narrow the issues that are being brought to the Court, and no party opposes the relief requested herein.

Notice

9. The Debtor has provided notice of this motion in accordance with the Case Management Procedures to the following parties: (a) the Office of the United States Trustee for

the District of Puerto Rico; (b) the indenture trustees and/or agents, as applicable, for the Debtors' bonds; (c) the entities on the list of creditors holding the 20 largest unsecured claims against COFINA; (d) counsel to the statutory committees appointed in these Title III cases; (e) the Office of the United States Attorney for the District of Puerto Rico; (f) counsel to the Oversight Board; (g) the Puerto Rico Department of Justice; (h) the Other Interested Parties;³ (i) all parties filing a notice of appearance in these Title III cases; and (j) Movant. A copy of the motion is also available on the Debtors' case website at <https://cases.primeclerk.com/puertorico/>.

10. The Debtor submits that, in light of the nature of the relief requested, no other or further notice need be given.

WHEREFORE, the Debtor requests the Court enter the Proposed Order and grant such other relief as is just and proper.

Dated: November 27, 2019
San Juan, Puerto Rico

Respectfully submitted,

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³ The "Other Interested Parties" include the following: (i) counsel to certain of the insurers and trustees of the bonds issued or guaranteed by the Debtors; and (ii) counsel to certain ad hoc groups of holders of bonds issued or guaranteed by the Debtors.

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Exhibit A

Proposed Order